

Off-Shore Drilling

Despite public resistance after Deepwater Horizon oil spill in the Gulf of Mexico, Shell Oil will be forging ahead with its plans to begin drilling off the coast of Alaska in the Chukchi and Beaufort Seas. The Bureau of Safety and Environmental Enforcement approved Shell's plans in February 2012, provided the company could prove its ability to clean a worst-case-scenario oil spill.

Since then, Shell has performed several dry-runs with their clean-up crews and machinery. The government and the company claim that this proves their ability to clean up a spill. Furthermore, Interior Secretary Ken Salazar insists that the likelihood of a spill is very small given the safety and preventative measures that have been implemented.

"I believe, first of all, that there is not going to be an oil spill, because frankly, the scrutiny that is going to be involved, including the prevention effort that we have, and the oversight effort that we have — the inspectors we have on 24/7, and all of the rest of the measures that have been taken, and the high risk, frankly, that Shell and the entire industry would have is something were to go wrong — I don't expect that there is going to be a problem," Salazar said.

Despite assurance from both Salazar and Shell, environmental activist groups are skeptical. They cite the many problems with cleanup in the Arctic region as reason to hesitate. First of all, the region's six months of icy conditions threaten both the safety of the initial operation and the efficacy of a cleanup. When the last spill exercise conducted in icy conditions took place in 2000, the equipment, normally used for coral, was no match for the weather. Since then, new machinery and equipment have been developed; however, none has been properly tested in real conditions. Furthermore, activists point out that Shell has not had to develop the infrastructure along the Alaskan coast – such as structures to house and feed volunteers in the event of a clean-up. Shell claims that this implementation is not needed because their recovery plan projects "encountering" 90% of any spilled oil on site and only 10% close to or on the shore." Critics suggest that such numbers are ridiculously inflated and Shell needs to focus on contingency plans.

STUDY QUESTIONS

1. Given the projected low chance of an oil spill, should Shell have to prepare infrastructure for onshore oil cleanup?
2. Should off-shore drilling be more restricted because of the potential effects of an oil spill, no matter how unlikely such a spill may be?